

Child Welfare

Analyst: Castro

Historical Summary

OPERATING BUDGET	FY 2007 Total App	FY 2007 Actual	FY 2008 Approp	FY 2009 Request	FY 2009 Gov Rec
BY PROGRAM					
Child Welfare	51,260,000	48,278,800	32,369,900	34,085,100	33,307,700
Foster & Assistance Payments	0	0	28,290,200	28,420,000	28,515,700
Total:	51,260,000	48,278,800	60,660,100	62,505,100	61,823,400
BY FUND CATEGORY					
General	16,482,000	16,362,100	25,882,400	28,544,500	27,961,000
Dedicated	962,000	938,300	772,500	826,000	923,800
Federal	33,816,000	30,978,400	34,005,200	33,134,600	32,938,600
Total:	51,260,000	48,278,800	60,660,100	62,505,100	61,823,400
Percent Change:		(5.8%)	25.6%	3.0%	1.9%
BY OBJECT OF EXPENDITURE					
Personnel Costs	21,717,000	20,912,800	23,232,600	24,289,700	24,348,700
Operating Expenditures	8,439,300	7,894,500	8,101,900	8,763,500	8,265,500
Capital Outlay	281,000	310,300	1,035,400	1,031,900	693,500
Trustee/Benefit	20,822,700	19,161,200	28,290,200	28,420,000	28,515,700
Total:	51,260,000	48,278,800	60,660,100	62,505,100	61,823,400
Full-Time Positions (FTP)	385.47	382.44	383.44	407.17	392.17

Division Description

The Child Welfare program is responsible for child protection, foster care, and adoptions. The funding for children's mental health was transferred to its own program beginning in fiscal year 2006. In fiscal year 2008 the Child Welfare budget was split into two programs: Child Welfare, and Foster & Assistance Payments. The Child Welfare program budget is responsible for the operating costs of the program including personnel, operating, and capital expenditures. The Foster & Assistance Payments program is trustee and benefits funding for services or items purchased directly for children in the Child Welfare system.

Child Welfare

Analyst: Castro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2008 Original Appropriation	383.44	13,189,300	32,369,900	383.44	13,189,300	32,369,900
1. Trustee & Benefit Payment Transfer	0.00	762,900	0	0.00	762,900	0
9. Department Personnel Costs Transfer	0.00	(982,700)	(982,700)	0.00	(982,700)	(982,700)
FY 2008 Total Appropriation	383.44	12,969,500	31,387,200	383.44	12,969,500	31,387,200
Non-Cognizable Funds and Transfers	(3.27)	(64,500)	(110,300)	(3.27)	(64,500)	(110,300)
FY 2008 Estimated Expenditures	380.17	12,905,000	31,276,900	380.17	12,905,000	31,276,900
Removal of One-Time Expenditures	0.00	(645,000)	(1,035,400)	0.00	(645,000)	(1,035,400)
Base Adjustments	0.00	0	(105,800)	0.00	0	(105,800)
FY 2009 Base	380.17	12,260,000	30,135,700	380.17	12,260,000	30,135,700
Benefit Costs	0.00	770,200	890,700	0.00	757,100	860,100
Inflationary Adjustments	0.00	13,600	24,400	0.00	13,600	24,400
Replacement Items	0.00	522,500	869,900	0.00	376,800	621,500
Statewide Cost Allocation	0.00	13,200	40,800	0.00	13,200	40,800
Change in Employee Compensation	0.00	164,100	189,800	0.00	820,500	949,000
FY 2009 Program Maintenance	380.17	13,743,600	32,151,300	380.17	14,241,200	32,631,500
1. Child Protection Cases Legal Services	0.00	325,500	375,000	0.00	0	0
2. Additional Child Welfare Staff	24.00	1,186,800	1,367,300	12.00	574,700	676,200
3. Additional Resource Develop. Unit Staff	3.00	143,500	191,500	0.00	0	0
FY 2009 Total	407.17	15,399,400	34,085,100	392.17	14,815,900	33,307,700
Change from Original Appropriation	23.73	2,210,100	1,715,200	8.73	1,626,600	937,800
% Change from Original Appropriation		16.8%	5.3%		12.3%	2.9%

Child Welfare

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2008 Original Appropriation	383.44	13,189,300	92,200	19,088,400	32,369,900

1. Trustee & Benefit Payment Transfer

Child Welfare, Foster & Assistance Payments

The agency is requesting to shift \$762,900 from the Foster & Assistance Payments program trustee & benefit budget to the Child Welfare operating budget. This transfer cannot be made without legislative approval due to intent language in the FY 2008 appropriation bill.

ANALYST COMMENT: No supplemental request information was received due to agency requesting to move these funds in the expenditure adjustment series. Consequently no information on why the transfer is needed was available at the time of printing the Legislative Budget Book. The adjustment was moved to a line item in the request to comply with the appropriations requirements for FY 2008.

[Ongoing]

Agency Request	0.00	762,900	0	(762,900)	0
Governor's Recommendation	0.00	762,900	0	(762,900)	0

9. Department Personnel Costs Transfer

This request is to shift General Fund personnel funding from the following programs:

Physical Health: \$379,200

Labs: \$128,600

Self Reliance Operations: \$420,300

Child Welfare: \$982,700

TOTAL: \$1,910,800

The funding would be received by the following programs in personnel costs:

Childrens Mental Health: \$161,700

Community Mental Health: \$220,700

Community Developmental Disabilities: \$37,300

Indirect Support Services: \$1,145,500

Medicaid Administration & Medical Mgmt: \$276,400

State Hospital North: \$69,200

As of the end of the 1st quarter the department has projected the Child Welfare's transfer out will be reduced to \$907,400 and that Community Mental Health will only need \$145,400.

[Ongoing]

Agency Request	0.00	(982,700)	0	0	(982,700)
Governor's Recommendation	0.00	(982,700)	0	0	(982,700)

FY 2008 Total Appropriation

Agency Request	383.44	12,969,500	92,200	18,325,500	31,387,200
Governor's Recommendation	383.44	12,969,500	92,200	18,325,500	31,387,200

Non-Cognizable Funds and Transfers

Transfers in personnel funding of \$46,000 in General Fund dollars, transfers out 3.0 FTP and \$138,000 in personnel costs of which \$100,200 is from the General Fund, and transfers out 0.27 FTP and \$18,300 in personnel costs of which \$10,300 is from the General Fund.

Agency Request	(3.27)	(64,500)	0	(45,800)	(110,300)
Governor's Recommendation	(3.27)	(64,500)	0	(45,800)	(110,300)

FY 2008 Estimated Expenditures

Agency Request	380.17	12,905,000	92,200	18,279,700	31,276,900
Governor's Recommendation	380.17	12,905,000	92,200	18,279,700	31,276,900

Removal of One-Time Expenditures

Remove funding provided for one-time items.

Agency Request	0.00	(645,000)	0	(390,400)	(1,035,400)
Governor's Recommendation	0.00	(645,000)	0	(390,400)	(1,035,400)

Child Welfare

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Base Adjustments					
Reduced personnel cost funding by \$105,800 due to uncollectible spending authority from federal funds.					
Agency Request	0.00	0	0	(105,800)	(105,800)
Governor's Recommendation	0.00	0	0	(105,800)	(105,800)
FY 2009 Base					
Agency Request	380.17	12,260,000	92,200	17,783,500	30,135,700
Governor's Recommendation	380.17	12,260,000	92,200	17,783,500	30,135,700
Benefit Costs					
Reflects \$2,075 per position or a 29% increase in employer-paid health insurance premiums from \$7,125 to \$9,200 per year. This increase is artificially inflated since the rates have been frozen for the last two years, with increases being covered from reserves. Includes a fund shift of \$382,100 from federal funds to the General Fund.					
Agency Request	0.00	770,200	2,900	117,600	890,700
<i>The Governor recommends funding the employer increase in health insurance, and does not remove the funding for their PERSI rate increase that was included in the request. Recently, the PERSI Board voted not to increase the contribution rate for the upcoming fiscal year. In addition, for this agency the Governor recommends that the Division of Human Resources (DHR) fee be reduced by 35% for classified positions, from 0.615% of gross salary to 0.4%, because it has been granted delegated authority by DHR.</i>					
Governor's Recommendation	0.00	757,100	2,600	100,400	860,100
Inflationary Adjustments					
This inflationary adjustment is arrived at by subtracting one-time funding and statewide allocation plan costs from the base and calculating a customized increase for all remaining operating costs. This request specifically represents a 1.7% over the base rent costs.					
Agency Request	0.00	13,600	0	10,800	24,400
<i>Inflationary increases are provided only for contractual obligations such as leased space costs. Other inflationary requests are not recommended.</i>					
Governor's Recommendation	0.00	13,600	0	10,800	24,400
Replacement Items					
Replaces 50 vehicles at an average cost of \$16,500 per vehicle; replaces 19 desks at a cost of \$32,300; and replaces 38 chairs at a cost of \$11,400.					
Agency Request	0.00	522,500	0	347,400	869,900
<i>The Governor recommends replacing 26 vehicles. The Governor recommends \$144,000 in additional funding for a statewide vehicle fleet management initiative to convert as many vehicles as possible to hybrid or other fuel efficient/low emission vehicles. These additional funds may only be used to implement the Governor's Fossil Fuel/Greenhouse Gases Initiative. Any unspent funds appropriated for this purpose will be reverted at year-end, regardless of funding source. The recommendation also includes replacing 19 modular desks and 38 office chairs.</i>					
Governor's Recommendation	0.00	376,800	0	244,700	621,500
Statewide Cost Allocation					
Funds \$40,800 for an increase in statewide cost allocation risk management fees.					
Agency Request	0.00	13,200	0	27,600	40,800
Governor's Recommendation	0.00	13,200	0	27,600	40,800
Change in Employee Compensation					
Agencies were instructed to input a CEC based on a 1% calculator. This request also shifts \$85,700 from federal funds to the General Fund.					
Agency Request	0.00	164,100	600	25,100	189,800
<i>The Governor recommends a compensation increase of 5% to be distributed based on merit.</i>					
Governor's Recommendation	0.00	820,500	3,000	125,500	949,000
FY 2009 Program Maintenance					
Agency Request	380.17	13,743,600	95,700	18,312,000	32,151,300
Governor's Recommendation	380.17	14,241,200	97,800	18,292,500	32,631,500

Child Welfare

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Child Protection Cases Legal Services					
This request is for \$375,000 to contract with three attorneys to represent the Department of Health & Welfare in child protection cases. The funding will be used to pay for three pilot projects in three counties: Bannock, Canyon, and Kootenai. The department states that the county prosecutors have the primary responsibility for child protection legal work; however, county prosecutors often place a low priority on child welfare cases due to criminal workload needs. The reason the department is requesting this pilot project is because it states that the agency is required to have legal representation at every child protection hearing and currently county prosecutors do not present the department's recommendations or position. The department states that this leaves them without any legal representation. The total cost per contract for this request is estimated at \$125,000. [Ongoing]					
Agency Request	0.00	325,500	0	49,500	375,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
2. Additional Child Welfare Staff					
This request is for 24.0 additional FTP and \$1,367,300 in corresponding funding. The request is broken out as follows: \$1,026,500 for personnel costs, \$196,800 for operating expenditures, and \$144,000 for one-time capital outlay. Personnel costs of \$75,000 is for hiring the additional staff at a rate higher than the base salary plus 5% as required for new FTP requests per the Budget Development Manual. The department completed a workload study after a recommendation from the Office of Performance Evaluations. The report stated that the Child Welfare program needed an additional 98 positions in order to adequately cover the caseload and expected growth. The department decided to phase-in the additional positions over a period of four years. Based upon recent federal reviews the department has not met federal standards and requirements during its Child and Family Service Review (CFSR) and currently Idaho is being reviewed at reduced standards that will be increased in April of 2008. This request is for 10 social workers, 10 client service technicians, 2 human services supervisors, and 2 administrative assistants. The personnel costs reflect only 24 of the 26 pay periods, the total annual need for personnel costs is \$1,112,000-- the difference will be reflected in the FY 2010 budget request under an annualization.					
The workload study also presented a need to shift resources between regions due to higher caseloads in the Treasure Valley area. If funded, the department expects to add more staff to the high caseload areas rather than shift current staff from positions. The workload study revealed that Regions 6 and 7 were a little overstaffed based on current positions available, and Regions 3 and 4 were understaffed based on the same criteria; however, overall all regions were understaffed based on national standards. [Ongoing- \$1,367,300; One-time- \$144,000]					
Agency Request	24.00	1,186,800	0	180,500	1,367,300
Governor's Recommendation	12.00	574,700	0	101,500	676,200
3. Additional Resource Develop. Unit Staff					
This request is for 3.0 FTP; \$148,900 in personnel funding; \$24,600 in operating funding; and \$18,000 in one-time capital outlay funding. The request is for one program specialist, one social worker, and one administrative assistant. The staff requested would work in the Resources Development Unit which determines eligibility for federal funding for Medicaid and Title IV-E funds. Currently workers within this unit determine eligibility on 1,000 cases per worker per year. The workload study that the department contracted for determined a need for five additional positions; however, due to hiring challenges the department is only requesting three currently. The department states that the last audit by the federal government indicated that Idaho was not generating the level of Title IV-E funding that was available and that by adding this staff the maximization of federal IV-E funding would be achieved. [Ongoing- \$173,500; One-time- \$18,000]					
Agency Request	3.00	143,500	0	48,000	191,500
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2009 Total					
Agency Request	407.17	15,399,400	95,700	18,590,000	34,085,100
Governor's Recommendation	392.17	14,815,900	97,800	18,394,000	33,307,700

Child Welfare

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Agency Request					
Change from Original App	23.73	2,210,100	3,500	(498,400)	1,715,200
% Change from Original App	6.2%	16.8%	3.8%	(2.6%)	5.3%
Governor's Recommendation					
Change from Original App	8.73	1,626,600	5,600	(694,400)	937,800
% Change from Original App	2.3%	12.3%	6.1%	(3.6%)	2.9%

Foster & Assistance Payments

Analyst: Castro

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2008 Original Appropriation	0.00	12,693,100	28,290,200	0.00	12,693,100	28,290,200
1. Trustee & Benefit Payment Transfer	0.00	(762,900)	0	0.00	(762,900)	0
8. Receipts Authority-Casey Family Found.	0.00	0	145,700	0.00	0	0
FY 2008 Total Appropriation	0.00	11,930,200	28,435,900	0.00	11,930,200	28,290,200
Removal of One-Time Expenditures	0.00	0	(95,700)	0.00	0	0
Base Adjustments	0.00	0	(1,394,200)	0.00	0	(1,394,200)
FY 2009 Base	0.00	11,930,200	26,946,000	0.00	11,930,200	26,896,000
Nondiscretionary Adjustments	0.00	550,000	710,300	0.00	550,000	710,300
FY 2009 Program Maintenance	0.00	12,480,200	27,656,300	0.00	12,480,200	27,606,300
4. Residential Care Rate Increase	0.00	664,900	763,700	0.00	664,900	763,700
5. Casey Family Foundation Receipts	0.00	0	0	0.00	0	145,700
FY 2009 Total	0.00	13,145,100	28,420,000	0.00	13,145,100	28,515,700
Change from Original Appropriation	0.00	452,000	129,800	0.00	452,000	225,500
% Change from Original Appropriation		3.6%	0.5%		3.6%	0.8%

Foster & Assistance Payments

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2008 Original Appropriation	0.00	12,693,100	680,300	14,916,800	28,290,200

1. Trustee & Benefit Payment Transfer

Child Welfare, Foster & Assistance Payments

The agency is requesting to shift \$762,900 from the Foster & Assistance Payments program trustee & benefit budget to the Child Welfare operating budget. This transfer cannot be made without legislative approval due to intent language in the FY 2008 appropriations bill.

ANALYST COMMENT: No supplemental request information was received due to agency requesting to move these funds in the expenditure adjustment series that does not require legislative approval. Consequently no information on why the transfer is needed was available at the time of printing the Legislative Budget Book. The adjustment was moved to a line item in the request to comply with the appropriations language in the budget bill.

[Ongoing]

Agency Request	0.00	(762,900)	0	762,900	0
Governor's Recommendation	0.00	(762,900)	0	762,900	0

8. Receipts Authority-Casey Family Found.

Foster & Assistance Payments

Last fiscal year the department received a grant from the Casey Family Foundation to pay for services or items for children in the child welfare system. The department did not spend a majority of the funding and is requesting an additional appropriation in FY 2008. Of the \$145,000 requested, \$50,000 is ongoing because the department estimates it will not be able to spend the entire \$200,000 grant annually and expects about \$50,000 to carryover each year.

ANALYST COMMENT: In FY 2008 the Legislature funded \$200,000 in ongoing spending authority for this grant. Adding the \$50,000 in ongoing authority would increase the total spending authority to \$250,000 annually even though the grant amount per year is only \$200,000.

[Ongoing- \$50,000; One-time \$95,700]

Agency Request	0.00	0	145,700	0	145,700
----------------	------	---	---------	---	---------

The Governor recommends this adjustment be made in FY 2009.

Governor's Recommendation	0.00	0	0	0	0
---------------------------	------	---	---	---	---

FY 2008 Total Appropriation

Agency Request	0.00	11,930,200	826,000	15,679,700	28,435,900
Governor's Recommendation	0.00	11,930,200	680,300	15,679,700	28,290,200

Removal of One-Time Expenditures

Remove funding provided for one-time items.

Agency Request	0.00	0	(95,700)	0	(95,700)
Governor's Recommendation	0.00	0	0	0	0

Base Adjustments

Reduces federal fund spending authority.

Agency Request	0.00	0	0	(1,394,200)	(1,394,200)
Governor's Recommendation	0.00	0	0	(1,394,200)	(1,394,200)

FY 2009 Base

Agency Request	0.00	11,930,200	730,300	14,285,500	26,946,000
Governor's Recommendation	0.00	11,930,200	680,300	14,285,500	26,896,000

Nondiscretionary Adjustments

Includes an increase in General Funds of \$15,800 and a corresponding decrease in federal funds due to a Federal Medical Assistance Program match rate decrease of 69.993% to 69.398%. Also provides an increase of \$534,200 from the General Fund and \$176,100 in federal funds for trustee and benefits payments associated with providing foster care.

Agency Request	0.00	550,000	0	160,300	710,300
Governor's Recommendation	0.00	550,000	0	160,300	710,300

FY 2009 Program Maintenance

Agency Request	0.00	12,480,200	730,300	14,445,800	27,656,300
Governor's Recommendation	0.00	12,480,200	680,300	14,445,800	27,606,300

Foster & Assistance Payments

Analyst: Castro

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
-------------------------	-----	---------	-----------	---------	-------

4. Residential Care Rate Increase

The agency is requesting \$1,380,000 to cover the costs associated with paying an increase for residential care in the Childrens Mental Health budget. In FY 2008 the Legislature split the Child Welfare trustee and benefit payment budget between Childrens Mental Health and Child Welfare. JFAC also worked with the agency to make a designated indicator for whether a child's residential care would be covered under Child Welfare or Children's Mental Health-- the determination is if the child is under state custody then the Child Welfare budget will cover the residential costs, if the child is adopted or the parents are seeking just mental health services then the Childrens Mental Health budget would cover residential costs.

This past year the department conducted an independent study of the residential treatment centers in Idaho. The study showed that 15 out of 20 of the providers were underpaid based on the value of services being provided while the other 5 were being reimbursed more than the value of the services being provided. The report also recommends an annual funding increase of \$1,164,559 for those 15 provider increases. The department has stated that the additional funding will be used for just the 15 contractors that were underpaid, and for the contractors shown as being overpaid the department is recommending no reduction in the current rate.

The Child Welfare budget reflects a request of \$763,700 and the Childrens Mental Health budget request is for \$613,300; the Children's Mental Health request is broken down by a combination of the residential rate increase amount of \$400,800 and a caseload increase of \$215,500. The caseload increase of \$215,500 is based on a projected increase of 3.8% in family foster care and 6.6% in residential care resulting in a blended rate projection of 5.1%.

[Ongoing]

Agency Request	0.00	664,900	0	98,800	763,700
Governor's Recommendation	0.00	664,900	0	98,800	763,700

5. Casey Family Foundation Receipts

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	145,700	0	145,700

FY 2009 Total

Agency Request	0.00	13,145,100	730,300	14,544,600	28,420,000
Governor's Recommendation	0.00	13,145,100	826,000	14,544,600	28,515,700

Agency Request					
Change from Original App	0.00	452,000	50,000	(372,200)	129,800
% Change from Original App		3.6%	7.3%	(2.5%)	0.5%
Governor's Recommendation					
Change from Original App	0.00	452,000	145,700	(372,200)	225,500
% Change from Original App		3.6%	21.4%	(2.5%)	0.8%